

The committee consisting of Mr. King, Mr. Johnson, Mr. Monroe, Mr. Lawrance, and Mr. Pettit, to whom was referred an act of the state of New-York, passed on the 4th day of May last, entitled, "An act for giving and granting to the United States in Congress assembled, certain imposts and duties on foreign goods imported into that state, for the special purpose of paying the principal and interest of the debt contracted in the prosecution of the late war with Great-Britain," report ...

*The **COMMITTEE** consisting of **Mr. KING, Mr. JOHNSON, Mr. MONROE, Mr. LAW-RANCE,** and **Mr. PETTIT,** to whom was referred an **ACT** of the **STATE** of **NEW-YORK,** passed on the 4th day of May last, entitled, "An **ACT** for giving and granting to the United States in Congress assembled, certain **IMPOSTS** and **DUTIES** on **FOREIGN GOODS** imported in to that State, for the special purpose of paying the **PRINCIPAL** and **INTEREST** of contracted in the prosecution of the late war with Great-Britain,"—*

REPORT,—

THAT by the act of Congress of the 18th of April 1783, it is recommended to the several states, as indispensibly necessary to the restoration of public credit, and to the punctual and honorable discharge of the public debts, to invest the United States in Congress assembled, *with a power to levy* certain duties upon goods imported into the United States; provided that the collectors of the said duties should be appointed by the states

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within which their offices are to be respectively exercised, but when so appointed to be amenable to and removable by the United States in Congress assembled alone.

The committee conceive that the investing of the United States in Congress assembled with this power, which includes that of forming the necessary regulations or revenue laws with suitable penalties, of declaring the money in which the said duties shall be received, of establishing the number of revenue officers, and ascertaining their duties, has been, and must be, considered, as an essential part of the plan submitted to the several states for their adoption—the exercise of this power by thirteen separate authorities, would introduce different laws upon the same subject, ordain various penalties for the same offence, destroy the equality of the tax, and might in a great measure, defeat the revenue.

All the states, except New-York, having in pursuance of the recommendation of the 18th of April 1783, granted the impost by acts vesting this power, with certain qualifications, exclusively in the United States in Congress assembled; the long continued embarrassments of the public finances, and the indispensable demands on the federal government, dictate the necessity of an immediate and unanimous adoption of this measure.

Impressed with these opinions, the committee have carefully examined the act of the state of New-York to them referred, and submit the following remarks.

1st. That several of the states which have passed acts investing the United States in Congress assembled, under certain restrictions, with power to levy the duties on goods imported into the United States, agreeably to the recommendation of the 18th of April 1783, have inserted in their acts, express conditions, that the same shall not be in force, or begin to operate, until all the states in the confederacy have passed acts vesting the United States in Congress assembled, with *power to levy* in the several states, like duties.

2d. That the act of the state of New-York, referred to the committee, does not invest the United States in Congress assembled *with power to levy* in that state the duties therein

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mentioned; but reserves to the state of New-York, the sole power of levying and collecting the same in the manner directed in and by an act of that state entitled "An act imposing duties on certain goods, wares and merchandize imported into the said state," passed the 18th day of November 1784, and consequently prevents the operation of the impost, in those states which have made the exercise of this power by the United States in Congress assembled, an indispensable and express condition of their grants.

3d. That the said act does not make the collectors of the said duties amenable to, and removable by the United States in Congress assembled; but ordains, that upon conviction before the supreme court of judicature, or in the court of exchequer of the state of New-York, for any *default or neglect* in the execution of the duties required of them by the said act, or by an act of that state entitled "An act imposing duties on certain goods, wares and merchandize imported into the said state," they shall be removed from office, and others appointed instead of the persons so convicted; which is a material departure from the plan recommended by Congress.

4th. That by an act of the state of New-York, entitled "An act for emitting the sum of two hundred thousand pounds in bills of credit for the purposes therein mentioned," passed the 18th of April 1786. It is among other things enacted "that gold and silver, and the bills of credit emitted by virtue of the said act shall be received by the collector for duties arising on goods, wares and merchandize imported into the said state, after the passing of the said act," in consequence whereof, admitting that the system of a general impost, could be put in operation, it would remain optional with the importer to pay the duties on goods imported into the state of New-York, in specie, or bills of credit emitted by virtue of the aforesaid act.

5th. If bills of credit of the state of New-York should be received from the importer in that state, upon the principles of equal justice, bills of credit emitted by any other state, must be received from the importer of goods in such state, and thereby instead of the systems yielding a sum in actual money, nothing but paper would be brought into the federal

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treasury, which would be wholly inapplicable to the payment of any part of the interest or principal of the foreign debt of the United States.—

Whereupon the committee submit the following resolution,

Resolved, That the act of the state of New-York entitled “An act for giving and granting to the United States in Congress assembled, certain imposts and duties on foreign goods imported into that state, for the special purpose of paying the principal and interest of the debts contracted in the prosecution of the late war, with Great Britain” so essentially varies from the system of Impost recommended by the United States in Congress assembled, on the 18th day of April 1783, that the said act is not, and cannot be considered, as a compliance with the same.

New York Impt Act